

Exhibit 300: Capital Asset Plan and Business Case Summary

Part I: Summary Information And Justification (All Capital Assets)

Section A: Overview (All Capital Assets)

1. Date of Submission: 2010-03-19 15:38:53

2. Agency: 015

3. Bureau: 45

4. Name of this Investment: Current CADE

5. Unique Project (Investment) Identifier: 015-45-01-14-01-4676-00

6. What kind of investment will this be in FY 2011?: Mixed Life Cycle

- Planning
- Full Acquisition
- Operations and Maintenance
- Mixed Life Cycle
- Multi-Agency Collaboration

7. What was the first budget year this investment was submitted to OMB? *

8. Provide a brief summary and justification for this investment, including a brief description of how this closes in part or in whole an identified agency performance gap; this description may include links to relevant information which should include relevant GAO reports, and links to relevant findings of independent audits.

The National Commission on Restructuring the IRS issued "A Vision for a New IRS," which required the IRS to update its technology, provide timely and accurate access to taxpayer information, and improve customer service and compliance. In 1998, the IRS Restructuring and Reform Act required the implementation of many recommendations from the National Commission's report. The Current CADE project was established to build a modernized database that would incrementally replace the current Individual Master File (IMF) processing systems. These systems, used to store and retrieve individual taxpayer account and return data, rely on dated technology, and could potentially fail and inhibit the delivery of quality service that the public has come to expect from world-class financial organizations. Major restrictions of the current IMF system were the impetus for building and deploying Current CADE and fell in the following categories: Speed – The IRS required an improvement in the timely update of taxpayer tax accounts. Accuracy – To accommodate the lengthy update cycle, the IRS had implemented many independent, non-synchronized databases that inconsistently report and calculate taxes, interest, and penalties. Technological Environment – The IRS required a change to a more data-centric application and programming environment to be able to more quickly respond to constrained delivery expectations. To date, Current CADE has deployed a modernized database and application that provides faster return processing, speedier refunds to taxpayers, and improved financial accounting data recording for the affected categories of taxpayers who are served. The release-level functionality achieved and planned for the Current CADE system is detailed below: Release 2 added Form 1040 Schedules A, B, C (without Employer Identification Number (EIN)), D, E, F, R, SE (without EIN) & Form 1040A Schedules 1 and 3 for single and married filers, and filers with certain dependents. Release 3 allowed for processing and notification of certain math error notices, online address changes, returns with disaster area designations. Release 4 added extensions (Forms 4868), decedent and surviving spouse returns, receipt processing, and last name changes. Release 5 was primarily a technical release to improve the infrastructure and availability of Current CADE. Release 5 will also address tax law and filing season changes. Release 6 will only include filing season and tax law changes.

- a. Provide here the date of any approved rebaselining within the past year, the date for the most recent (or planned) alternatives analysis for this investment, and whether this investment has a risk management plan and risk register.**

9. Did the Agency's Executive/Investment Committee approve this request? *

a. If "yes," what was the date of this approval? *

10. Contact information of Program/Project Manager?

- Name: *
- Phone Number: *
- Email: *

11. What project management qualifications does the Project Manager have? (per FAC-P/PM)? *

- Project manager has been validated according to FAC-PMPM or DAWIA criteria as qualified for this investment.
- Project manager qualifications according to FAC-P/PM or DAWIA criteria is under review for this investment.
- Project manager assigned to investment, but does not meet requirements according to FAC-P/OM or DAWIA criteria.
- Project manager assigned but qualification status review has not yet started.
- No project manager has yet been assigned to this investment.

12. If this investment is a financial management system, then please fill out the following as reported in the most recent financial systems inventory (FMSI):

Financial management system name(s)	System acronym	Unique Project Identifier (UPI) number
*	*	*

a. If this investment is a financial management system AND the investment is part of the core financial system then select the primary FFMIA compliance area that this investment addresses (choose only one): *

- computer system security requirement;
- internal control system requirement;
- core financial system requirement according to FSIO standards;
- Federal accounting standard;
- U.S. Government Standard General Ledger at the Transaction Level;
- this is a core financial system, but does not address a FFMIA compliance area;
- Not a core financial system; does not need to comply with FFMIA

Section B: Summary of Funding (Budget Authority for Capital Assets)

1.

Table 1: SUMMARY OF FUNDING FOR PROJECT PHASES (REPORTED IN MILLIONS) (Estimates for BY+1 and beyond are for planning purposes only and do not represent budget decisions)									
	PY1 and earlier	PY 2009	CY 2010	BY 2011	BY+1 2012	BY+2 2013	BY+3 2014	BY+4 and beyond	Total
Planning:	*	*	*	*	*	*	*	*	*
Acquisition:	*	*	*	*	*	*	*	*	*
Subtotal Planning & Acquisition:	*	*	*	*	*	*	*	*	*
Operations & Maintenance:	*	*	*	*	*	*	*	*	*
Disposition Costs (optional):	*	*	*	*	*	*	*	*	*
SUBTOTAL:	*	*	*	*	*	*	*	*	*
Government FTE Costs should not be included in the amounts provided above.									
Government FTE Costs	*	*	*	*	*	*	*	*	*
Number of FTE represented by Costs:	*	*	*	*	*	*	*	*	*
TOTAL(including FTE costs)	*	*	*	*	*	*	*	*	*

2. If the summary of funding has changed from the FY 2010 President's Budget request, briefly explain those changes:

*

Section C: Acquisition/Contract Strategy (All Capital Assets)

1.

Table 1: Contracts/Task Orders Table

Contract or Task Order Number	Type of Contract/Task Order (In accordance with FAR Part 16)	Has the contract been awarded (Y/N)	If so what is the date of the award? If not, what is the planned award date?	Start date of Contract/Task Order	End date of Contract/Task Order	Total Value of Contract/Task Order (M)	Is this an Interagency Acquisition? (Y/N)	Is it performance based? (Y/N)	Competitively awarded? (Y/N)	What, if any, alternative financing option is being used? (ESPC, UESC, EUL, N/A)	Is EVM in the contract? (Y/N)
TIRNO06D0000190016	CPFF: Cost Plus Fixed Fee	Y	2007-02-01	2007-02-01	2009-09-30	\$5.9	*	*	*	*	*
TIRNO99D000010132	CPIF: Cost Plus Incentive Fee	Y	2006-05-02	2006-05-02	2008-04-15	\$38.8	*	*	*	*	*
TIRNO99D000010138	CPIF: Cost Plus Incentive Fee	Y	2007-03-29	2007-03-29	2008-01-29	\$10.1	*	*	*	*	*
TIRNO99D000010140	CPFF: Cost Plus Fixed Fee	Y	2007-08-07	2007-08-07	2009-03-20	\$38.1	*	*	*	*	*
TIRNO99D000010147	CPFF: Cost Plus Fixed Fee	Y	2008-03-14	2008-03-14	2008-11-12	\$4.9	*	*	*	*	*
TIRNO99D000010143	CPFF: Cost Plus Fixed Fee	Y	2008-01-29	2008-01-30	2009-09-30	\$33.0	*	*	*	*	*
TIRNO99D000010149	CPIF: Cost Plus Incentive Fee	Y	2009-06-01	2009-06-01	2010-02-28	\$14.2	*	*	*	*	*
TIRNO99D000010148	CPFF: Cost Plus Fixed Fee	Y	2008-07-30	2008-07-31	2009-08-31	\$11.3	*	*	*	*	*

2. If earned value is not required or will not be a contract requirement for any of the contracts or task orders above, explain why:

*

3. Is there an acquisition plan which reflects the requirements of FAR Subpart 7.1 and has been approved in accordance with agency requirements? *

a. If "yes," what is the date? *

Section D: Performance Information (All Capital Assets)

Table 1: Performance Information Table

Fiscal Year	Strategic Goal(s) Supported	Measurement Area	Measurement Grouping	Measurement Indicator	Baseline	Target	Actual Results
2004	Effectively Managed U.S. Government Finances	*	*	Initial deployment of Current CADE will be the first step in modernizing master file processing. Release 1 will successfully process a subset of 1040EZs, and issue refunds.	Performance Goals will be measured and reported starting in CY 2005.	Deliver initial operating capabilities(IOC).	Initial operating capability (IOC) delivered.
2004	Effectively Managed U.S. Government Finances	*	*	Reduce cycle time to post a return to same day the return received by Current CADE, for the subset of 1040EZ filers processed by Current CADE.	5-9 days	This is measured from the point in the processing cycle when the return information is sent from the Campus to the Enterprise Computing Center at Martinsburg (ECCM) until it is posted by CADE.	A process was in place to record when transmissions were received by ECCM, and when accounts were posted to CADE to measure the reduction in cycle time.
2004	Effectively Managed U.S. Government Finances	*	*	Reduce the cycle time to issue an electronic refund for the subset of 1040EZ filers processed by Current CADE to 4 business days.	5-11 days	This is measured from the point in the processing cycle when the return information is sent from the Campus to the Enterprise Computing Center at Martinsburg (MTB) until refund is issued by FMS.	A process was in place to record when transmissions were received by ECCM, and when FMS issued refunds to taxpayer accounts in order to measure the reduction in refund issuance time.
2004	Effectively Managed U.S. Government Finances	*	*	Reduce the cycle time to issue a paper refund for the subset of 1040EZ filers processed by Current CADE to 6 business days.	6 to 20 days	This is a measured from the point in processing cycle when the return information is sent from the Campus to the Enterprise Computing Center at Martinsburg (MTB) until refund is issued by FMS.	A process was in place to record when transmissions were received by ECCM, and when FMS issued refunds to taxpayer accounts in order to measure the reduction in refund issuance time.

Table 1: Performance Information Table

Fiscal Year	Strategic Goal(s) Supported	Measurement Area	Measurement Grouping	Measurement Indicator	Baseline	Target	Actual Results
2005	Effectively Managed U.S. Government Finances	*	*	Reduce cycle time to post a return the same day the return received by Current CADE, for the subset of 1040EZ filers processed by Current CADE.	5-9 days	This is measured from the point in the processing cycle when the return information is sent from the Campus to the Enterprise Computing Center at Martinsburg (MTB) until it is posted by CADE.	A process is in place to record when transmissions are received by ECCM, and when accounts are posted to CADE to measure the reduction in cycle time.
2005	Effectively Managed U.S. Government Finances	*	*	Increase the volume of returns processed	0	1,400,000	1,423,517
2005	Effectively Managed U.S. Government Finances	*	*	Increase the number of refunds generated	0054-03-01	1,300,000	1,405,164
2006	Effectively Managed U.S. Government Finances	*	*	Increase the volume of returns processed.	1,430,000	4,000,000	7,300,000
2006	Effectively Managed U.S. Government Finances	*	*	Increase the amount of refunds generated, in millions.	0400-01-01	0400-03-01	0435-03-01
2007	Effectively Managed U.S. Government Finances	*	*	The percentage of refunds issued within acceptable timeframe of 40 days or less	98.4	99.2	99.1
2007	Effectively Managed U.S. Government Finances	*	*	The percentage of days for Current CADE processing cycle completion is within 24 hours or less	0.	92.	97.00
2007	Effectively Managed U.S. Government Finances	*	*	The percentage of Form 1040 returns processed by Current CADE compared to the total forms 1040s returns processed by Individual Master File (IMF) and Current CADE	0.	21.5	11.
2007	Effectively Managed U.S. Government Finances	*	*	Availability of Current CADE Online Address Change Service	0.	0.	0.

Table 1: Performance Information Table

Fiscal Year	Strategic Goal(s) Supported	Measurement Area	Measurement Grouping	Measurement Indicator	Baseline	Target	Actual Results
2008	Effectively Managed U.S. Government Finances	*	*	The percentage of refunds issued within acceptable timeframe of 40 days or less	99.1	99.2	99.87
2008	Effectively Managed U.S. Government Finances	*	*	The percentage of days for Current CADE processing cycle completion is within 24 hours or less	97.	98.	95.
2008	Effectively Managed U.S. Government Finances	*	*	The percentage of Form 1040 returns processed by Current CADE compared to the total forms 1040s returns processed by Individual Master File (IMF) and Current CADE	11.	24.	20.
2008	Effectively Managed U.S. Government Finances	*	*	Availability of CADE Online Address Change Service	0.	90.	96.64
2009	Effectively Managed U.S. Government Finances	*	*	The percentage of individual refunds processed by Current CADE	0.	25	30.
2009	Effectively Managed U.S. Government Finances	*	*	Current CADE processing cycle is completed within 24 hours or less	95.	98.	97.
2009	Effectively Managed U.S. Government Finances	*	*	The percentage of Form 1040 returns processed by Current CADE compared to the total forms 1040s returns processed by Individual Master File (IMF) and Current CADE	20	25.	28.
2009	Effectively Managed U.S. Government Finances	*	*	Availability of Current CADE Online Address Change Service	96.64	95.	94.
2010	Effectively Managed U.S. Government Finances	*	*	The percentage of individual refunds processed by Current CADE	30.	25.	

Table 1: Performance Information Table

Fiscal Year	Strategic Goal(s) Supported	Measurement Area	Measurement Grouping	Measurement Indicator	Baseline	Target	Actual Results
2010	Effectively Managed U.S. Government Finances	*	*	Current CADE processing cycle is completed within 24 hours or less	97.	98.	
2010	Effectively Managed U.S. Government Finances	*	*	The percentage of Form 1040 returns processed by Current CADE compared to the total forms 1040s returns processed by Individual Master File (IMF) and Current CADE	28.	25.	
2010	Effectively Managed U.S. Government Finances	*	*	Availability of Current CADE Online Address Change Service	94.	95.	
2011	Effectively Managed U.S. Government Finances	*	*	The percentage of individual refunds processed by Current CADE	30.	25.	
2011	Effectively Managed U.S. Government Finances	*	*	Current CADE processing cycle is completed within 24 hours or less	97.	98.	
2011	Effectively Managed U.S. Government Finances	*	*	The percentage of Form 1040 returns processed by Current CADE compared to the total forms 1040s returns processed by Individual Master File (IMF) and Current CADE	28.	25.	
2011	Effectively Managed U.S. Government Finances	*	*	Availability of Current CADE Online Address Change Service	94.	95.	
2012	Effectively Managed U.S. Government Finances	*	*	The percentage of individual refunds processed by Current CADE	30.	25.	
2012	Effectively Managed U.S. Government Finances	*	*	Current CADE processing cycle is completed within 24 hours or less	97.	98.	
2012	Effectively	*	*	The percentage	28.	25.	

Table 1: Performance Information Table

Fiscal Year	Strategic Goal(s) Supported	Measurement Area	Measurement Grouping	Measurement Indicator	Baseline	Target	Actual Results
	Managed U.S. Government Finances			of Form 1040 returns processed by Current CADE compared to the total forms 1040s returns processed by Individual Master File (IMF) and Current CADE			
2012	Effectively Managed U.S. Government Finances	*	*	Availability of Current CADE Online Address Change Service	94.	95.	
2013	Effectively Managed U.S. Government Finances	*	*	The percentage of individual refunds processed by Current CADE	30.	25	
2013	Effectively Managed U.S. Government Finances	*	*	Current CADE processing cycle is completed within 24 hours or less	97.	98.	
2013	Effectively Managed U.S. Government Finances	*	*	The percentage of Form 1040 returns processed by Current CADE compared to the total forms 1040s returns processed by Individual Master File (IMF) and Current CADE	28.	25.	
2013	Effectively Managed U.S. Government Finances	*	*	Availability of Current CADE Online Address Change Service	94.	95.	

Part II: Planning, Acquisition And Performance Information

Section A: Cost and Schedule Performance (All Capital Assets)

1. Comparison of Actual Work Completed and Actual Costs to Current Approved Baseline								
Description of Milestones	Planned Cost (\$M)	Actual Cost (\$M)	Planned Start Date	Actual Start Date	Planned Completion Date	Actual Completion Date	Planned Percent Complete	Actual Percent Complete
Prior to R4.0 - Provides the capability to process 1040 series of tax returns with select schedules. Refunds are processed on avg 5 days faster than IMF. Also, faster notification of changes made to the tax return during processing.	\$398.2	\$378.7	2001-07-01	2001-04-01	2008-02-27	2008-02-27	94.56%	94.56%
Operations and Maintenance - Prior to FY2007	\$30.7	\$30.7	2004-08-01	2004-08-01	2007-09-30	2007-09-30	100.00%	100.00%
R4.0 - Logical design phase for functionality that adds extensions (Forms 4868), decedent and surviving spouse return processing, receipt processing, criminal investigation refund hold, and last name changes.	\$14.2	\$14.4	2006-07-31	2006-07-31	2008-02-13	2008-02-13	100.00%	100.00%
R4.1 - Develop, test, and deploy new functionality that adds Surviving Spouse, Decedent Returns, Prior Year Processing, Overpayment Offsets (TOP), Change to Address Processing,	\$24.8	\$21.5	2007-09-01	2007-09-01	2008-07-24	2008-07-24	100.00%	100.00%

1. Comparison of Actual Work Completed and Actual Costs to Current Approved Baseline								
Description of Milestones	Planned Cost (\$M)	Actual Cost (\$M)	Planned Start Date	Actual Start Date	Planned Completion Date	Actual Completion Date	Planned Percent Complete	Actual Percent Complete
Legislative Economic Stimulus Requirement, and other changes.								
R4.2 - Develop, test, and deploy new functionality to provide Filing Season and Significant Tax Law Changes, Revenue Receipt Processing with taxpayer notices, Revenue Receipt Balancing, Phase 2 of the Economic Stimulus Requirement, and other changes.	\$37.7	\$35.9	2008-04-01	2008-04-01	2009-03-31	2009-01-15	100.00%	100.00%
R5.0 - Logical design phase for functionality that is primarily a technical release to improve the infrastructure and availability of Customer Account Data Engine (CADE). It will address continuous processing and transaction based recoveries.	\$21.4	\$23.9	2007-04-01	2007-04-01	2009-04-30	2009-04-30	100.00%	100.00%
R5.2 - Analyze, develop, test, and deploy to provide filing season updates for FY2009.	\$32.0	\$29.4	2009-06-01	2009-06-01	2010-01-31	2010-01-15	100.00%	85.55%
R6.2 - Analyze, develop, test, and deploy to provide filing	\$28.6	\$2.9	2010-04-01	2010-04-01	2011-02-28		11.79%	11.41%

1. Comparison of Actual Work Completed and Actual Costs to Current Approved Baseline								
Description of Milestones	Planned Cost (\$M)	Actual Cost (\$M)	Planned Start Date	Actual Start Date	Planned Completion Date	Actual Completion Date	Planned Percent Complete	Actual Percent Complete
season updates for FY2010.								
R7.2 - Analyze, develop, test, and deploy to provide filing season updates for FY2011.	*	*	2011-04-01		2012-02-29		0.00%	0.00%
Transition to Support	*	*	2012-04-01		2012-12-31		0.00%	0.00%
Operations and Maintenance - FY2007	\$10.4	\$10.4	2006-10-01	2006-10-01	2007-09-30	2007-09-30	100.00%	100.00%
Operations and Maintenance - FY2008	\$12.1	\$12.5	2007-10-01	2007-10-01	2008-09-30	2008-09-30	100.00%	100.00%
Operations and Maintenance of Current CADE (FY 2009) - supports current tax year processing of returns, refunds and payments.	\$21.4	\$18.4	2008-10-01	2008-10-01	2009-09-30	2009-09-30	100.00%	84.88%
Operations and Maintenance of Current CADE (FY 2010) - supports current tax year processing of returns, refunds and payments.	\$18.5	\$11.2	2009-10-01	2009-10-01	2010-09-30		58.94%	60.44%
Operations and Maintenance of Current CADE (FY 2011) - supports current tax year processing of returns, refunds and payments.	*	*	2010-10-01		2011-09-30		0.00%	0.00%
Operations and Maintenance of Current	*	*	2011-10-01		2012-09-30		0.00%	0.00%

1. Comparison of Actual Work Completed and Actual Costs to Current Approved Baseline								
Description of Milestones	Planned Cost (\$M)	Actual Cost (\$M)	Planned Start Date	Actual Start Date	Planned Completion Date	Actual Completion Date	Planned Percent Complete	Actual Percent Complete
CADE (FY 2012) - supports current tax year processing of returns, refunds and payments.								
Operations and Maintenance of Current CADE (FY 2013) - supports current tax year processing of returns, refunds and payments.	*	*	2012-10-01		2013-09-30		0.00%	0.00%
Operations and Maintenance of Current CADE (FY 2014) - supports current tax year processing of returns, refunds and payments.	*	*	2013-10-01		2014-09-30		0.00%	0.00%
Operations and Maintenance of Current CADE (FY 2015) - supports current tax year processing of returns, refunds and payments.	*	*	2014-10-01		2015-09-30		0.00%	0.00%
Operations and Maintenance of Current CADE (FY 2016) - supports current tax year processing of returns, refunds and payments.	*	*	2015-10-01		2016-09-30		0.00%	0.00%
Operations and Maintenance of Current CADE (FY 2017) - supports current tax year processing of returns, refunds and payments.	*	*	2016-10-01		2017-09-30		0.00%	0.00%

1. Comparison of Actual Work Completed and Actual Costs to Current Approved Baseline								
Description of Milestones	Planned Cost (\$M)	Actual Cost (\$M)	Planned Start Date	Actual Start Date	Planned Completion Date	Actual Completion Date	Planned Percent Complete	Actual Percent Complete
2017) - supports current tax year processing of returns, refunds and payments.								
Operations and Maintenance of Current CADE (FY 2018) - supports current tax year processing of returns, refunds and payments.	*	*	2017-10-01		2018-09-30		0.00%	0.00%
Operations and Maintenance of Current CADE (FY 2019) - supports current tax year processing of returns, refunds and payments.	*	*	2018-10-01		2019-09-30		0.00%	0.00%
Operations and Maintenance of Current CADE (FY 2020) - supports current tax year processing of returns, refunds and payments.	*	*	2019-10-01		2020-09-30		0.00%	0.00%
Operations and Maintenance of Current CADE (FY 2021) - supports current tax year processing of returns, refunds and payments.	*	*	2020-10-01		2021-09-30		0.00%	0.00%
Operations and Maintenance of Current CADE (FY 2022) -	*	*	2021-10-01		2022-09-30		0.00%	0.00%

1. Comparison of Actual Work Completed and Actual Costs to Current Approved Baseline								
Description of Milestones	Planned Cost (\$M)	Actual Cost (\$M)	Planned Start Date	Actual Start Date	Planned Completion Date	Actual Completion Date	Planned Percent Complete	Actual Percent Complete
supports current tax year processing of returns, refunds and payments.								

* - Indicates data is redacted.